



February 27, 2023

Hon. Dick Mazza, Chairman  
Senate Committee on Transportation  
Vermont State Capitol  
115 State Street  
Montpelier, VT 05633

**RE: Support - Senate Bill 48 – Catalytic Converter Theft**

Dear Chairman Mazza and Members of the Committee:

On behalf of the Alliance for Automotive Innovation<sup>1</sup>, thank you for the opportunity to provide our strong support for Senate Bill 48, legislation drafted to combat the growing epidemic of vehicle catalytic converter theft.

**The Problem**

Since the late 1970s, catalytic converters have been an important part of vehicle exhaust systems and mandatory equipment for all internal combustion engines pursuant to the federal Clean Air Act. Catalytic converters help to transform more harmful compounds from an engine’s emissions into safer gases by directing the flow of exhaust through a web of metals made up largely of platinum, palladium, and rhodium. With the dramatic rise in the commodity prices of these precious metals, catalytic converters have become high value targets for thieves.

Police reports indicate that after stealing a catalytic converter, thieves most often sell the parts to scrap metal dealers, who knowingly or unknowingly, accept the stolen item. Once the metals are “de-canned,” scrap metal dealers bundle and sell the honeycomb of precious metals to smelters, who utilize extreme heat and advanced processes to separate each metals back into a pure form and sell it for other uses.

**The Solution? Documenting Chain-of Custody**

At its core, this is a chain-of-custody issue. The fastest way to curtail the theft of catalytic converters is to ensure there is no market for stolen goods. Auto Innovators has worked with many states over the past two years to address this growing problem. Senate Bill 48 looks to build on the state’s existing scrap metal law that requires appropriate identification by limiting the number of catalytic converters a scrap metal dealer can purchase each day and requiring the seller to document the rightfully own the part to be sold,

---

<sup>1</sup> **About Alliance for Automotive Innovation**

*From the manufacturers that produce most of the vehicles sold in the U.S., to autonomous vehicle innovators, to equipment suppliers, battery producers, and semiconductor manufacturers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the entire economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer and smarter personal transportation future. [www.autosinnovate.org](http://www.autosinnovate.org).*

In closing, I want to recognize the sponsor's foresight in recognizing this issue as worthy of legislative attention. The expedient passage of Senate Bill 48 could help deter this crime wave – remove the easy market; remove the incentive to steal. Until scrap metal dealers are held accountable for allowing stolen goods back into the flow of legitimate commerce, this problem will not be solved.

Approximately 26 states have passed legislation on this topic in the past 2 years. Regionally, Connecticut, Maine, Massachusetts, and New York all passed similar legislation on this topic last year. Legislation is again being considered in Rhode Island and New Hampshire, and we are working to support its passage. It is important to see a regional approach to solving this issue, otherwise policymakers should expect stolen items to travel across state lines to the venue with the least restrictive laws.

Thank you for your consideration of the Auto Innovators' views on this newly emerged issue. Please do not hesitate to contact me, should I be able to provide any additional information.

Sincerely,



Wayne Weikel  
Vice President, State Affairs

cc: Members, Senate Committee on Transportation